

TREASURY



NEWS

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EMBARGOED UNTIL 11 A.M.
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**REMARKS OF JOHN D. HAWKE, JR.
UNDER SECRETARY FOR DOMESTIC FINANCE
UNVEILING OF THE NEW \$20 NOTE**

One of my most interesting assignments in the three years I've been at Treasury has been to chair the Advance Counterfeit Deterrence Steering Committee, an interagency group with representatives of the Bureau of Engraving and Printing, the Secret Service, the Federal Reserve System, and Main Treasury. Since the new currency series was first conceived, this Committee has been examining our own progress in combatting counterfeiting, considering the threats posed by emerging technologies, and examining the possibilities for future changes in our currency design. We get regular reports from the Fed and the Secret Service on the amount of counterfeit U.S. currency that has been passed and seized before passage, both here and abroad, and by this means we are able to identify trends that enforcement authorities need to respond to.

Several months ago the Secret Service called our attention to a significant increase in the incidence of computer generated counterfeiting. The availability of cheap scanners, color inkjet printers and publishing-grade software has encouraged some criminals to go high-tech. We have even seen incidents involving students, who think it is just fun to run off some counterfeit currency. We are taking steps to get out the message that we take ALL counterfeiting very seriously. The Attorney General and the Secretary of the Treasury have jointly been urging heightened enforcement and stiffer penalties for computer generated counterfeiting, and we need to keep reminding the public that counterfeiting is a serious federal crime punishable by fines and prison.

Let me be very clear-- the amount of counterfeiting is still remarkably small. Bogus notes passed on the public represent less than three-one hundredths of one percent of the currency in circulation. But as we have introduced the new series of currency, some counterfeiters have sought to take advantage of the public's unfamiliarity with the new notes. Very often the attempts to counterfeit the new series are not of good quality, and our new anticounterfeit protections have stood up extremely well. It is essential, however, not only that people look at their money -- since many counterfeits can be readily identified through careful examination -- but that people know what to look for.

To help educate people -- particularly cash handlers and people in retail businesses -- we have prepared a video training film that is available on request. We have also prepared a wonderful interactive CD-ROM description of the anticounterfeit features of the new currency, which is also available on request as a training aid. I would like to give you a short demonstration of this neat product.

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